

# HOUSE BILL No. 1300

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 15-17-17-5; IC 15-18.

**Synopsis:** Dairy products. Provides that certain notices concerning animal health, animal products, milk products, and livestock brands may be sent by mail. (Current law requires any mailings to be by registered or certified mail.) Provides that a bulk milk hauler/sampler permit expires two years after the most recent inspection. Replaces the grader permit with an approved industry plant sampler at certain facilities that transfer raw milk. Specifies when certain milk samples must be collected. Changes the protocols, procedures, and penalties that may be used to prevent drug residue violations. Removes the prohibition of serving certain milk products that have not been maintained at certain temperatures. Removes certain drainage requirements for iced milk products. Changes an organization that elects members to the creamery examining board. Establishes procedures to appoint members on the creamery examining board if the appointing organization is unable to elect a member. Allows the creamery license division to inspect records or collect data on the quantity of milk and cream in plants. Removes the requirement that all standard Babcock testing glassware must be inspected by Purdue University. Removes the temporary permit to test or sample and weigh either milk or cream. Makes a technical correction. Makes conforming changes.

**Effective:** July 1, 2014.

---

---

## Lehe

---

---

January 15, 2014, read first time and referred to Committee on Agriculture and Rural Development.

---

---



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1300

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 15-17-17-5, AS ADDED BY P.L.2-2008,  
2       SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2014]: Sec. 5. Any notice required by this article, IC 15-18-1,  
4       or IC 15-19-6, including notice required under IC 4-21.5-3, may be  
5       served by:

6               (1) personal delivery to the person concerned, by leaving the  
7               notice at the place of business or residence last specified by the  
8               person concerned or the person's last notification to the board; or  
9               (2) mailing the notice ~~by registered or certified mail~~ to the place  
10              of business or residence last specified by the person concerned in  
11              the person's last notification to the board.

12       SECTION 2. IC 15-18-1-7, AS ADDED BY P.L.2-2008, SECTION  
13       9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
14       2014]: Sec. 7. A permit issued under this chapter expires as follows:

15               (1) A bulk milk hauler/sampler permit expires ~~on December 31 of~~  
16               ~~the third year after the year in which the permit was issued. two~~



**(2) years after the most recent inspection.**

(2) A dairy farm permit expires upon an action listed in subdivisions (4) through (6).

(3) A permit, other than a bulk milk hauler/sampler permit and a dairy farm permit, expires on December 31 of the year in which the permit was issued. Permits issued within the last three (3) months of a year may be issued to expire on December 31 of the following year.

(4) Upon discontinuance of operation for a period of ninety (90) days.

(5) Upon the revocation of the permit by the board.

(6) Upon the sale or other transfer of an operation to a different owner or operator.

(7) For a milk distributor, milk plant, receiving station, transfer station, or milk tank truck cleaning facility, a transfer of the place of business from one (1) building or room to another.

SECTION 3. IC 15-18-1-9, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The state veterinarian shall examine each application for a permit required in this chapter. If the applicant for a permit has complied with all statutes and rules enforced by the board, the state veterinarian shall cause the premises, location, equipment, and operating practices of the applicant to be inspected not later than ten (10) days after the receipt of the application for a permit. If the premises, location, equipment, and operating practices comply with this article and the rules of the board, the state veterinarian shall issue a permit entitling the applicant to engage in the business for which the application was submitted.

(b) The board shall conduct the following inspections:

(1) Each dairy farm and transfer station at least one (1) time every six (6) months.

(2) Each milk plant and receiving station at least one (1) time every three (3) months.

In addition, following the issuance of a permit, the board may, to determine compliance with this chapter, inspect the licensee's facility, procedures, and equipment.

(c) If the board finds a violation of the standards for Grade A milk adopted under section 14 of this chapter, a second inspection is required after the time thought necessary to remedy the violation but not sooner than three (3) days after finding the violation. The reinspection must be used to determine compliance with the requirements adopted under section 14 of this chapter. A violation of



the same requirement on the reinspection results in permit suspension in accordance with section 6 of this chapter or court action, or both.

(d) One (1) copy of the inspection report must be:

- (1) ~~handed~~ **provided** to the operator or other responsible person;
- or
- (2) posted in a conspicuous place on an inside wall of the establishment.

The inspection report may not be defaced and must be made available to the board upon request. An identical copy of the inspection report must be filed with the records of the board.

(e) A person licensed under this chapter shall, upon request of the board, permit access of officially designated persons to all parts of the person's establishment or facilities to determine compliance with this chapter. A distributor or plant operator shall furnish the board, upon request and for official use only, a true statement of the actual quantities of milk and milk products of each grade purchased and sold and a list of all sources of the milk and milk products, records of inspection, tests, and pasteurization time and temperature records.

(f) A person who, in an official capacity, obtains under this chapter any information that is entitled to protection as a trade secret, including information as to quantity, quality, source, or disposition of milk or milk products, or results of inspections or tests, may not use the information to the person's own advantage or reveal the information to an unauthorized person.

SECTION 4. IC 15-18-1-11, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A milk plant, receiving station, or transfer station that receives raw milk or raw cream from a producer of raw milk or raw cream shall ~~employ use~~ at least one (1) approved ~~grader~~ **industry plant sampler**.

(b) The board may ~~issue an approved grader permit to a person~~ **approve an industry plant sampler** who meets the following requirements:

- (1) The person has submitted an application for an ~~approved grader industry plant sampler~~ permit to the board.
- (2) The person has ~~been trained by school or experience to grade and inspect raw milk or raw cream~~ **demonstrated the person's sampling proficiency by passing a performance based evaluation.**
- (3) The ~~applicant person~~ has passed ~~an a written~~ examination given by the board.

~~(c) An application to renew an approved grader permit must be~~



made on forms prescribed by the board:

(d) A permit of approval does not authorize an approved grader to be an official employee, an agent, or a representative of the board. An approved grader may not profess to be an employee, an agent, or a representative of the board.

SECTION 5. IC 15-18-1-12, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) A bottle, container, or package enclosing milk, Grade A dry milk **and whey** products, or milk products must be labeled in accordance with the rules of the board.

**(b) A milk product may not bear a Grade A label unless the milk product is produced in accordance with the rules of the board for grade A milk or milk products.**

~~(b)~~ (c) A vehicle or transport tank containing milk or milk products must be legibly marked with the name and address of the milk plant or hauler in possession of the contents.

~~(c)~~ (d) A tank transporting raw, heat treated, or pasteurized milk or milk products to a milk plant from sources of supply not under the routine supervision of the board must be marked with the name and address of the milk plant or hauler and must be sealed. In addition, for each shipment a shipping statement must be prepared containing at least the following information:

- (1) The shipper's name, address, and permit number.
- (2) The permit number of the hauler, if the hauler is not an employee of the shipper.
- (3) The point of origin of shipment.
- (4) The tanker identity number.
- (5) The name of the product.
- (6) The weight of the product.
- ~~(7) The grade of the product.~~
- ~~(8)~~ (7) The temperature of the product.
- ~~(9)~~ (8) The date of shipment.
- ~~(10)~~ (9) The name of the supervising agent of the state regulatory authority at the point of origin.
- ~~(11)~~ (10) Whether the contents are raw, pasteurized, or heat treated.
- ~~(12)~~ (11) The seal number on inlet, outlet, and wash connections and vents.
- ~~(13)~~ (12) The grade of the product.
- ~~(14)~~ (13) The antibiotic test results.

~~(d)~~ (e) The statement must be prepared in triplicate and must be kept on file by the shipper, the consignee, and the carrier for six (6)



months for the information of the board.

(f) The labeling information that is required on all bottles, containers, or packages of milk or milk products must be in letters of an acceptable size, kind, and color satisfactory to the board and must contain no marks or words that are misleading.

SECTION 6. IC 15-18-1-13, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Samples of raw and processed milk and milk products must be collected as required under this section and rules adopted by the board as follows:

(1) A bulk milk hauler/sampler shall collect a representative sample of the milk from each farm tank before collecting the milk for delivery. Each sample must be labeled so as to identify the farm of origin. Each sample must be delivered to a milk plant, receiving station, transfer station, or other location approved by the board.

(2) During any consecutive six (6) months, at least four (4) samples of raw milk for pasteurization must be collected from each milk producer. The samples must be **taken in separate months. However, in a three (3) month period the samples may be collected twice in the same month if the samples are** taken at least twenty (20) days apart.

(3) During any consecutive six (6) months, at least four (4) samples of raw milk for pasteurization must be collected from each milk plant, after receipt of the milk by the milk plant and before pasteurization. The samples taken from the ~~producer plant~~ **may not must be taken in the same month and separate months. However, in a three (3) month period the samples must may be collected twice in the same month if the samples are** taken at least twenty (20) days apart.

(4) During any consecutive six (6) months, at least four (4) samples of pasteurized milk, heat treated milk, and at least four (4) samples of milk products and Grade A dry milk products must be taken from every milk plant. The samples **taken from the plant must be taken in separate months. However, in a three (3) month period the samples may be collected twice in the same month if the samples are** taken at least twenty (20) days apart.

Samples of milk and milk products must be taken while in possession of the producer or distributor at any time before final delivery. Samples of milk and milk products from dairy retail stores, food service establishments, grocery stores, and other places where milk and milk



1 products are sold must be examined periodically as determined by the  
 2 board, and the results of the examination must be used to determine  
 3 compliance with this chapter. Proprietors of such establishments must  
 4 furnish the board, upon the board's request, with the names of all  
 5 distributors from whom milk or milk products are obtained.

6 (b) Bacterial counts, somatic cell counts, and cooling temperature  
 7 checks must be performed on raw milk for pasteurization as required  
 8 by the board.

9 (c) In addition, antibiotic tests on milk from each producer's farm  
 10 must be conducted at least four (4) times during any consecutive six (6)  
 11 months. ~~but not~~ **The samples taken from the farm must be taken in**  
 12 **separate months. However, in a three (3) month period the samples**  
 13 **may be collected twice** in the same month **if the samples are taken**  
 14 **at least twenty (20) days apart.** Antibiotic testing of commingled milk  
 15 from bulk milk vehicles must be conducted as specified by the United  
 16 States Food and Drug Administration or the board. When commingled  
 17 milk is tested, all producers must be represented in the sample. All  
 18 individual sources of milk must be tested when test results on the  
 19 commingled milk are positive. The milk plant, receiving station, or  
 20 transfer station shall conduct or have conducted all tests required by the  
 21 board on milk producer raw milk sample laboratory analyses and  
 22 forward the results of the analyses to the board.

23 (d) Bacterial counts, coliform determinations, phosphatase, and  
 24 cooling temperature checks must be performed on pasteurized milk and  
 25 milk products as required by rules adopted by the board.

26 (e) Whenever two (2) of the last four (4) consecutive bacteria  
 27 counts, somatic cell counts, coliform determinations, or cooling  
 28 temperatures taken on separate days exceed the limit of the standard for  
 29 milk or milk products, the board shall send a written notice to the  
 30 person concerned. This notice remains in effect as long as two (2) of  
 31 the last four (4) consecutive samples exceed the limit of the standard.  
 32 An additional sample must be taken not later than twenty-one (21) days  
 33 after sending the notice, but not before the lapse of three (3) days.  
 34 Immediate suspension of a permit or court action, or both, shall be  
 35 instituted whenever the standard is violated by three (3) of the last five  
 36 (5) bacteria counts, somatic cell counts, coliform determinations, or  
 37 cooling temperatures.

38 (f) Whenever a phosphatase test is positive, the cause must be  
 39 determined. If the cause is improper pasteurization, the problem must  
 40 be corrected, and any milk or milk product involved may not be offered  
 41 for sale.

42 (g) Samples must be analyzed at an official laboratory or appropriate



officially designated laboratory. All sampling procedures and required laboratory examinations must be in substantial compliance with the most current edition of the Standard Methods for the Examination of Dairy Products of the American Public Health Association and the most current edition of the Official Methods of Analyses of AOAC International. These procedures and examinations must be evaluated in accordance with the methods of evaluating milk laboratories recommended by the United States Food and Drug Administration. Aseptically processed milk and milk products packaged in hermetically sealed containers must be tested in accordance with the United States Food and Drug Administration's Bacteriological Analytical Manual.

(h) Examinations and tests must be conducted to detect adulterants, including pesticides, as the board requires. Assays of vitamin D milk or milk products and fortified milk and milk products must be made at least annually by a milk plant in a laboratory acceptable to the board. Facilities fortifying products with vitamins must keep volume control records that cross-reference the form and amount of vitamin D and vitamin A used with the amount of product produced.

SECTION 7. IC 15-18-1-14, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) Raw milk for processing and milk and milk products must conform to all the standards in the rules adopted by the board.

(b) The board shall adopt a rule and may adopt emergency rules under IC 4-22-2-37.1 to establish standards for Grade A milk and milk products. The standards adopted under this section must be:

(1) the same as; or

(2) at least as effective in protecting health as;

the ~~federal~~ **national** standards for Grade A milk adopted by the National Conference on Interstate Milk Shipments in accordance with the national conference's Memorandum of Understanding with the United States Department of Health and Human Services, Food and Drug Administration. ~~including amendments to the federal standards in effect June 30, 1993.~~

(c) The board shall determine when an amendment to ~~federal~~ **national** standards described in subsection (b) has been adopted. If the board determines that an amendment to the ~~federal~~ **national** standards has been adopted, the board shall adopt rules and may adopt emergency rules under IC 4-22-2-37.1 to amend the rules adopted by the board under subsection (b) to provide a standard that is:

(1) the same as; or

(2) at least as effective in protecting health as;



1 the amendment to the ~~federal~~ **national** standards for Grade A milk.

2 (d) The board may adopt standards for the production of  
3 manufacturing grade milk products.

4 (e) The board may do the following:

5 (1) Adopt rules defining grades of raw milk and milk products  
6 and various tests to be made at different intervals in the receipt of  
7 raw milk and milk products for the manufacturing or processing  
8 of milk and milk products.

9 (2) Adopt sanitary rules concerning the sampling, production,  
10 manufacturing, processing, handling, packing, storing,  
11 distributing, and transporting of milk and milk products for the  
12 enforcement of this chapter.

13 (3) Provide that raw milk and milk products that do not meet the  
14 minimum standards provided and that are unfit for human  
15 consumption be destroyed or removed from distribution channels  
16 for human food in a manner provided by rule.

17 (4) Require training for bulk milk hauler/samplers.

18 SECTION 8. IC 15-18-1-16, AS ADDED BY P.L.2-2008,  
19 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2014]: Sec. 16. (a) Milk must be screened for drug residue  
21 violations as follows:

22 (1) Except as provided in subdivision (2), milk shall be screened  
23 for drug residues as required by this chapter and rules adopted by  
24 the board. The board may adopt rules governing testing for drug  
25 residues in milk that are at least as effective in protecting the  
26 public health as the ~~federal~~ **national** standards adopted by the  
27 National Conference on Interstate Milk Shipments. ~~in the~~  
28 ~~Pasteurized Milk Ordinance.~~

29 (2) Milk from manufacturing grade dairy farms shall be tested for  
30 drug residues as required by this chapter and rules adopted by the  
31 board.

32 (3) All milk that tests positive for drug residues must be disposed  
33 of in a manner that removes it from the human and animal food  
34 chain or that acceptably reconditions the milk under United States  
35 Health and Human Services, Food and Drug Administration  
36 compliance policy guidelines. In all cases of drug residue  
37 violations, a producer may not resume shipping milk until a drug  
38 test conducted by an officially designated laboratory shows the  
39 producer's milk is negative for drug residues and the test results  
40 are reported to the office of the state veterinarian.

41 (4) All positive drug residue test results must be called into the  
42 office of the state veterinarian immediately, and a written report



of the test results must be faxed or delivered to the office of the state veterinarian not later than twenty-four (24) hours after the test. The producer whose milk tested positive must be notified of the positive drug residue test immediately. The company that conducted the test is responsible for the reporting requirements in this subdivision.

(b) The board may impose a civil penalty described in section 17 of this chapter on a person that sells or offers to sell milk that contains drug residues.

SECTION 9. IC 15-18-1-17, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) The following definitions apply throughout this section:

(1) "Daily production" means the amount of milk, measured by hundred weight, produced by the positive producer in one (1) day, measured on the day in which the drug residue violation occurred.

(2) "Producer reimbursement" means an amount assessed against the positive producer to reimburse others for milk contaminated by the positive producer's contaminated milk, not including the value of the positive producer's contaminated milk for which the positive producer was not paid.

(3) "Revocation period" means the period after a Grade A producer's permit is revoked under this section that the producer may not apply for a Grade A permit.

(b) A penalty established under this section may not be more severe than the penalty standard for drug residue violations adopted by the National Conference on Interstate Milk Shipments in its Pasteurized Milk Ordinance adopted in accordance with the National Conference's Memorandum of Understanding with the United States Department of Health and Human Services, Food and Drug Administration. The penalty imposed may not exceed one thousand dollars (\$1,000) for a first offense or two thousand dollars (\$2,000) for a subsequent offense.

(c) A producer whose milk tests positive for drug residues shall pay a civil penalty and participate in drug residue education activities as follows:

(1) The following is imposed on a producer for the first positive test for drug residues within a twelve (12) month period:

(A) The civil penalty shall be determined as follows:

STEP ONE: Multiply the daily production by two (2).

STEP TWO: Multiply the STEP ONE result by three dollars (\$3).

STEP THREE: Subtract the producer reimbursement from



- 1 the STEP TWO result.
- 2 The positive producer shall pay a civil penalty that is the
- 3 greater of the amount determined in STEP THREE or five
- 4 dollars (\$5).
- 5 (B) The positive producer must, in conjunction with the
- 6 producer's veterinarian and an official of the board, complete
- 7 the "Milk and Dairy Beef Residue Prevention Protocol" **an**
- 8 **approved protocol to prevent future drug residue**
- 9 **violations** and provide proof of completion to the board of
- 10 animal health, office of the state veterinarian within thirty (30)
- 11 days after the drug residue violation. Failure to complete the
- 12 protocol and submit proof of completion within thirty (30)
- 13 days results in action to suspend the producer's permit.
- 14 (2) The following is imposed for a second positive test for drug
- 15 residues within a twelve (12) month period:
- 16 (A) The civil penalty **described in subdivision (1)(A)** shall be
- 17 **determined as follows:**
- 18 **STEP ONE: Multiply the daily production by four (4).**
- 19 **STEP TWO: Multiply the STEP ONE result by three dollars**
- 20 **(\$3).**
- 21 The positive producer shall pay a civil penalty that is the
- 22 greater of the amount determined in STEP TWO or five dollars
- 23 **(\$5): imposed.**
- 24 (B) The positive producer must **in conjunction with the**
- 25 **producer's veterinarian and an official of the board;** complete
- 26 the "Milk and Dairy Beef Residue Prevention Protocol" and
- 27 provide proof of completion to the state veterinarian within
- 28 thirty (30) days after the drug residue violation. Failure to
- 29 complete the protocol and provide proof of completion results
- 30 in action to suspend the producer's permit. **an approved**
- 31 **protocol described in subdivision (1)(B).**
- 32 (C) The producer must attend a **producer education program**
- 33 **or meeting designated called** by the state veterinarian. The
- 34 producer is responsible for paying registration and material
- 35 fees and other costs associated with attending the education
- 36 program or meeting. The producer must provide proof of
- 37 attendance to the state veterinarian within ten (10) days after
- 38 completion of the program or meeting. **to discuss the**
- 39 **violations and demonstrate that appropriate practices have**
- 40 **been implemented to mitigate the risk of further drug**
- 41 **residue violations.**
- 42 (3) The third **or subsequent** positive test result for drug residues



1 within a twelve (12) month period has the following results:

2 (A) The board shall **initiate action under section 6 of this**  
 3 **chapter to suspend or** revoke a producer's Grade A permit if  
 4 the producer has a permit.

5 (B) The ~~sanctions for a second offense civil penalty~~ set forth  
 6 in subdivision (2) ~~are (1)(A) is~~ imposed.

7 (C) **If a producer requests reinstatement of the producer's**  
 8 **permit**, the producer must submit to the state veterinarian a  
 9 set of written procedures that the producer will follow to  
 10 prevent future drug residue violations. The procedures must ~~be~~  
 11 ~~submitted with the proof of completion required in subdivision~~  
 12 ~~(2) and must~~ be specific, practical, and reasonably likely to  
 13 lessen the possibility of a drug residue violation when  
 14 followed by the producer.

15 (D) ~~After a producer's Grade A permit is revoked for a third~~  
 16 ~~offense violation under this statute, the producer may not~~  
 17 ~~receive a new Grade A permit for thirty (30) days after the~~  
 18 ~~date of the revocation. After this period, the state veterinarian~~  
 19 ~~must issue a conditional Grade A permit to a producer that has~~  
 20 ~~applied for a permit if the producer has met all the~~  
 21 ~~requirements of this section at the time of application and the~~  
 22 ~~producer meets all other requirements of the board for~~  
 23 ~~obtaining a Grade A permit. The permit must be issued on the~~  
 24 ~~condition that all the requirements of this section must be~~  
 25 ~~completed within the time set forth in this section. A permit~~  
 26 ~~issued under this clause automatically becomes unconditional~~  
 27 ~~after the producer fully complies with this section.~~

28 (4) For each drug residue violation in a twelve (12) month period  
 29 in excess of three (3) the producer is subject to the penalties for  
 30 a third offense in subdivision (3); but for Grade A producers the  
 31 revocation period begins on the date the producer's permit is  
 32 revoked and runs for a period equal to two (2) times the length of  
 33 the revocation period imposed after the producer's last drug  
 34 residue violation.

35 (d) The state veterinarian, by special permit, may allow a producer  
 36 that objects to the imposition of a civil penalty to dump two (2) days of  
 37 milk production on a first offense and four (4) days of milk production  
 38 on the second or third offense instead of paying a civil penalty if  
 39 payment of a civil penalty would impose undue hardship on a producer.  
 40 The state veterinarian may set the conditions under which the milk is  
 41 to be dumped and may require documentation from the producer  
 42 showing the circumstances under which the milk was dumped.



(e) Civil penalties collected under this section shall be deposited in the dairy drug residue abatement fund established by section 31 of this chapter.

SECTION 10. IC 15-18-1-20, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) Only Grade A pasteurized milk, Grade A pasteurized milk products, and manufacturing grade milk products that meet the requirements of this chapter, including rules adopted under this chapter, may be sold to the final consumer or to restaurants, soda fountains, grocery stores, or similar establishments.

(b) A municipality or county may not do the following:

(1) Impose different standards or requirements for Grade A milk and milk products or manufacturing grade milk products than those provided for in this chapter.

(2) Prohibit the sale of milk or a milk product if the milk or milk product has been produced and processed in accordance with this chapter.

~~(c) A milk product other than a milk product that bears a Grade A label must meet the requirements for the production, processing, and handling of Grade A milk. This labeling requirement does not apply to butter or to any other product that is excluded by rules of the board.~~

SECTION 11. IC 15-18-1-22, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) Except as permitted in this section, a milk producer or distributor may not transfer milk or milk products from one (1) container or tank truck to another on the street, in a vehicle, store, or in any place except a milk plant, receiving station, transfer station, or milkhause especially used **and permitted** for that purpose. The dipping or ladling of milk or fluid milk products is prohibited. A can milk hauler or a bulk milk hauler/sampler may not sample raw milk or milk products to test for butterfat or transfer raw milk or milk products from one (1) can or vehicle to another while in transit except in a receiving station, transfer station, or in conformity with the statutes and rules enforced by the board.

(b) A person may not sell or serve milk or a fluid milk product except in the individual original container received from the distributor or from an approved bulk dispenser. However, this requirement does not apply to the following:

(1) Milk for mixed drinks requiring less than one-half (1/2) pint of milk.

(2) Cream, whipped cream, or half-and-half that is consumed on the premises and that may be served from the original container



of not more than one-half (1/2) gallon capacity or from a bulk dispenser approved for such service by the board.

(c) A person may not sell ~~or serve~~ pasteurized milk or a milk product that has not been maintained at a temperature required by rule adopted by the board. ~~If containers of pasteurized milk or milk products are stored in ice, the storage container must be properly drained.~~

SECTION 12. IC 15-18-2-9, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The creamery examining board is established. The board consists of eight (8) members composed of the following:

- (1) Three (3) producers of milk and cream.
- (2) Three (3) processors of milk and cream.
- (3) One (1) member of the animal sciences department who shall be appointed by the dean of agriculture of Purdue University.
- (4) One (1) milk hauler.

The board shall elect a chairperson annually.

(b) Two (2) of the producer members shall be elected to the board by ~~the board of directors of the Indiana Cooperative Milk Producer's Federation, Inc.~~ **Dairy Producers, Inc.** The third producer member shall be elected to the board by the Indiana State Dairy Association. **If an organization is unable to elect a producer to the board, then the other organization shall elect the producer to the board. However, if both organizations are unable to elect a producer to the board, the dean of agriculture of Purdue University shall appoint a producer to fill the open position after consulting with dairy producers in Indiana.**

(c) The three (3) processor members shall be elected to the board by the Midwest Dairy Products Association. **If the Midwest Dairy Products Association is not able to elect a processor to the board, the dean of agriculture of Purdue University shall appoint a processor to fill the open position after consulting with dairy processors in Indiana.**

(d) The Midwest Dairy Products Association shall elect one (1) member each year. The **board of directors of the Indiana federation of cooperatives Dairy Producers, Inc.,** shall elect a producer member to the board two (2) out of every three (3) years and the Indiana State Dairy Association shall select a producer member during the third year.

(e) The milk hauler member shall be appointed to the board by the dean of agriculture of Purdue University. ~~or the dean's designee.~~

SECTION 13. IC 15-18-2-13, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2014]: Sec. 13. On recommendation of the board and with the approval of the dean of agriculture of Purdue University, inspectors of the creamery license division may inspect records or collect data on the quality **and quantity** of milk and cream in plants that:

- (1) cooperate with Purdue University in the quality improvement program; or
- (2) assist in any other project that will be of mutual benefit to the Indiana dairy industry and the Purdue University animal sciences department.

SECTION 14. IC 15-18-2-17, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) A person or a person's agent buying or paying for milk or cream on the basis of the amount of butterfat contained in the milk or cream as determined by the Babcock test shall use standard Babcock testing glassware and accurate scales.

(b) ~~All standard Babcock testing glassware and weights must be:~~

- ~~(1) inspected for accuracy by Purdue University; and~~
- ~~(2) legibly and indelibly marked by Purdue University with the letters "S.G.P." (Standard Glassware Purdue);~~

~~A bottle or pipette may not be used for a test unless the bottle or pipette is examined and marked by Purdue University.~~

~~(c) A person or a person's agent may not use test bottles and pipettes other than standard bottles or pipettes that have been examined and marked as provided in this section to determine the amount of fat in milk or cream bought or paid for on the butterfat basis.~~

~~(d) (b) In conducting tests other than an approved test for determining the total composition of milk and the protein and fat components of milk, test equipment used that will influence test results must be approved by the creamery license division before use in determining producer pay tests.~~

SECTION 15. IC 15-18-2-21, AS ADDED BY P.L.2-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21. (a) ~~A person who desires to test or sample and weigh either milk or cream before taking the examination must apply to the creamery license division for a temporary permit.~~

~~(b) A temporary permit entitles the holder to test or sample and weigh milk or cream until the date specified for taking the examination. A permit holder has the same responsibilities as a licensee in complying with this chapter.~~

~~(c) An application for a temporary permit new license to test must be accompanied by the payment of a fee of thirty dollars (\$30). An application for a temporary permit new license to sample or weigh~~



1 must be accompanied by the payment of a fee of twenty dollars (\$20).  
2 The fee shall pay for the first regular tester's or sampler's license issued  
3 to the applicant. If the applicant fails the examination or discontinues  
4 work before the examination can be given, the applicant forfeits the fee  
5 paid for the ~~temporary permit~~: **new license**.

6 SECTION 16. IC 15-18-2-27 IS REPEALED [EFFECTIVE JULY  
7 1, 2014]. ~~Sec. 27. The board shall establish fees for examining~~  
8 ~~glassware based on the actual cost.~~

